

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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VIRGINIA CHANGES – BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM

For a covered "auto" licensed or principally garaged in Virginia, this endorsement modifies insurance provided under the following:

BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Section III – Business Auto Conditions is amended as follows:

1. Paragraph A.1. Appraisal Condition is replaced by the following:

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of the "loss". If they fail to agree, they will submit their differences to the umpire. An appraisal decision will not be binding on either party. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

2. Paragraph A.4. of the Loss Payment is replaced by the following:

At our option, we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include:

- (1) The applicable sales and use tax for the damaged or stolen property;

- (2) Any applicable titling and license transfer fees incurred in obtaining a replacement vehicle in the event of a total "loss" to a covered "auto", and

- (3) Any applicable general average, salvage or disposable charges.

3. Paragraph B.1. Bankruptcy Condition is replaced by the following:

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

4. Paragraph B.2. Concealment, Misrepresentation Or Fraud Condition is replaced by the following:

Coverage for your claim under this Coverage Form is void in any case of fraud by you at any time as it relates to the Coverage Form. It is also void if you, at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

5. Paragraph B.5.b. of the Other Insurance Condition is replaced by the following:

For Hired Auto Physical damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is deemed to be a covered "auto" you don't own.